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**MING FUNG JEWELLERY  
GROUP LIMITED**

**明豐珠寶集團有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 860)**



**CHINA HAIDIAN  
HOLDINGS LIMITED**

**中國海澱集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 256)**

## **JOINT VOLUNTARY ANNOUNCEMENT**

### **MEMORANDUM OF UNDERSTANDING ON PROPOSED COOPERATION**

#### **MEMORANDUM OF UNDERSTANDING**

The Ming Fung Board and the China Handian Board are pleased to announce that on 5 June 2013, Ming Fung and China Handian entered into the Memorandum of Understanding in relation to the proposed cooperation between the parties for the joint development of luxury jewellery, timepieces and other luxury consumer goods retail business in the Greater China Region. According to the Memorandum of Understanding, the following arrangements are explored by the parties depending on the circumstance of individual retail outlet:

1. Ming Fung shall sell the luxury jewellery products, timepieces and other luxury consumer goods which include the brands of Ming Fung and of other international luxury brands for which Ming Fung is an authorized distributor to China Haidian at the agreed prices of the respective products for distribution at the retail outlets belonging to or operated by China Haidian. China Haidian shall be responsible for provision of the distribution networks, the daily operations, staff employment and other management matters. China Haidian shall also be responsible for all the operating costs including but without limitation the rental of the retail outlets, wages of the employees and water and electricity expenses; or
2. China Haidian shall open specialty stores in the Greater China Region for exclusive sale, marketing, distribution and promotion of luxury jewellery products, timepieces and other luxury consumer goods which include the brands of Ming Fung and of other international luxury brands for which Ming Fung is an authorized distributor. Ming Fung shall sell the products to China Haidian at the agreed prices. China Haidian shall be responsible for the daily operations, staff employment and other management matters of the specialty stores. China Haidian shall also be responsible for all the operating costs including but without limitation the rental of the specialty stores, wages of the employees and water and electricity expenses; or

3. Ming Fung and China Haidian shall jointly invest and form a jointly-owned company in Hong Kong Special Administrative Region of the People's Republic of China. The shareholding percentage of the company shall be agreed upon by Ming Fung and China Haidian. The company shall establish new specialty store to distribute luxury products, timepieces and other luxury consumer goods which include the brands of Ming Fung and of other international luxury brands for which Ming Fung is the authorized distributor. Ming Fung shall sell the products to China Haidian at the agreed prices to the company. Ming Fung and China Haidian shall share investment responsibilities, be entitled to investment returns and bare investment risks in proportion to the percentage of investment they have respectively put in the company. Ming Fung and China Haidian shall be responsible for all the operating costs including without limitation the rental of the specialty stores, the wages of the employees and water and electricity expenses in proportion to the respective percentage of their investment.

It is expected that a definitive and binding agreement in relation to the proposed cooperation will be entered into on or before 30 September 2013.

## **INFORMATION ON MING FUNG AND CHINA HAIDIAN**

The principal activities of Ming Fung Group comprise the manufacture, sales, trading, distribution, processing and retailing of luxury jewellery products including OMAS jewellery. The Group is also the exclusive distributor of GUCCI, DAMIANI, BLISS GIOIELLI, CALDERONI, SALVINI, ROCCA 1794, POMELLATO, PASQUALE BRUNI, ALFIERI & ST JOHN timepiece and jewellery items.

The principal activities of China Haidian Group comprise the design, manufacture and distribution of watches which bear the trademarks including EBOHR, ROSSINI and ETERNA and property investment. As at the date of this announcement, China Haidian owns or operates more than 3,000 established retail outlets in Mainland China for marketing, promotion and sale of watches and timepieces.

The Memorandum of Understanding, which is non-legally binding, may or may not lead to the entering into of a definitive and binding agreement and the transactions contemplated thereunder may or may not proceed. In the event that a definitive and binding agreement materializes, the transactions contemplated thereunder may constitute a notifiable transaction for Ming Fung and/or China Haidian under the Listing Rules. Further announcement(s) will be made in respect thereof as and when required by the Listing Rules.

As the proposed cooperation may or may not proceed, the shareholders of Ming Fung, the shareholders of China Haidian and other potential investors are advised to exercise caution when dealing in the respective shares of Ming Fung or China Haidian.

## **DEFINITIONS**

“China Haidian”	China Haidian Holdings Limited 中國海澱集團有限公司, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“China Haidian Board”	the board of directors of China Haidian
“China Haidian Group”	China Haidian and its subsidiaries

“Greater China Region”	include People’s Republic of China, Hong Kong Special Administrative Region and Macau Special Administrative Region
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange
“Memorandum of Understanding”	a non-legally binding memorandum of understanding dated 5 June 2013 entered into between Ming Fung and China Haidian in relation to a proposed cooperation between the parties
“Ming Fung”	Ming Fung Jewellery Group Limited 明豐珠寶集團有限公司, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Ming Fung Board”	the board of directors of Ming Fung
“Ming Fung Group”	Ming Fung and its subsidiaries
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board  
**Ming Fung Jewellery Group Limited**  
**Wong Chi Ming, Jeffry**  
*Chairman*

By order of the Board  
**China Haidian Holdings Limited**  
**Hon Kwok Lung**  
*Chairman*

Hong Kong, 5 June 2013

*As at the date of this announcement, the Ming Fung Board comprises three executive directors, namely, Mr. Wong Chi Ming, Jeffry, Mr. Chung Yuk Lun and Mr. Yu Fei, Philip and three independent non-executive directors, namely, Mr. Chan Man Kiu, Mr. Tam Ping Kuen, Daniel and Mr. Jiang Chao.*

*As at the date of this announcement, the China Haidian Board comprises six executive directors, namely, Mr. Hon Kwok Lung, Mr. Shang Jianguang, Mr. Shi Tao, Mr. Lam Toi Man, Mr. Bi Bo and Ms. Sit Lai Hei and three independent non-executive directors, namely Mr. Fung Tsz Wa, Dr. Kwong Chun Wai, Michael and Mr. Li Qiang.*

\* *For identification purpose only*